

HOUSE RESEARCH

Bill Summary

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Subject: Local sales tax for the city of Walker

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Overview

Allows the city of Walker to impose a local sales, pursuant to voter approval at the 2012 general election to fund underground utility, street, curb and gutter, and sidewalk improvements.

Section

1 City of Walker, local taxes authorized. Allows the city to impose a local sales tax based on approval of the voters at the 2012 general election.

Subd. 1. Sales and use tax authorized. Allows the city to impose a local sales and use tax at the rate of the tax would be 1.5 percent, based on voter approval given at the 2012 general election.

Subd. 2. Use of Revenues. Dedicates revenues from the tax to pay capital and administrative costs for underground utility, street, curb and gutter, and sidewalk improvements as outlined in the city's 2012 capital improvement plan.

Subd. 3. Bonding authority. Allows the city to issue up to \$20 million in bonds without additional voter approval to fund the projects in subdivision 2.

Subd. 4. Termination of tax. The tax would expire at the earlier of 20 years after imposition or when revenues are sufficient to finance the projects in subdivision 2.

Effective the day after the city files local approval with the secretary of state.